

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

**CMAC Conference Room
770 L Street, Suite 1000
Sacramento, CA**

**Minutes of Meeting
August 10, 2006**

COMMISSIONERS PRESENT

Cathie Bennett Warner, Chair
Michele Burton, M.P.H.
Vicki Marti
Nancy McFadden

CMAC STAFF PRESENT

Keith Berger, Executive Director
Enid Barnes
Paul Cerles
Denise DeTrano
Katie Knudson
Steve Soto
Becky Swol
Michael Tagupa
Mervin Tamai
Karen Thalhammer

EX-OFFICIO MEMBERS PRESENT

Toby Douglas, Department of Health Services
Bob Sands, Department of Finance

I. Discussion and Public Comment

The call to order for the August 10, 2006 open session meeting of the California Medical Assistance Commission (CMAC) was delayed due to lack of a quorum. Chair Cathie Bennett Warner requested Keith Berger to commence with his Executive Director's Report and invited public comment and discussion until a quorum was present.

II. Executive Director's Report

Keith Berger, Executive Director, began his report by informing the Commissioners that Round 2 of the Private Hospital Supplemental Fund had been initiated. He said letters were sent out after the last CMAC meeting to all hospitals who appeared to be eligible for this fiscal year's private hospital supplemental payments.

Mr. Berger said that last year CMAC had a late start on the supplemental fund process because the statutes authorizing the new hospital waiver were not enacted until September. He said CMAC has made a commitment to starting the process earlier this year, so that funds could be paid out more evenly throughout the fiscal year.

Mr. Berger indicated that a copy of the schedule of key dates in this year's Round 2A process is available for anyone who is interested. He said CMAC staff is planning to have Round 2A amendments before the Commissioners for action at the September 7 Commission meeting. This is contingent on the California Department of Health Services (CDHS) issuing the tentative DSH list prior to that date, so that component of the eligibility criteria can be confirmed before any actions are taken on amendments.

Mr. Berger added that Round 2B is expected to be initiated after CDHS publishes the final DSH list, which last year was around December or January.

Mr. Berger continued his report by informing the Commissioners and other attendees that the August 24 Commission meeting will be cancelled, and the next Commission meeting will be held on September 7. He explained that staff is working very hard on a number of significant hospital and managed care negotiations, but there were no amendments or contracts ready to be noticed for action at the next meeting date. He said that in an effort to be prudent managers of the state and federal funds in CMAC's administrative budget, and to utilize the time of staff and Commissioners most efficiently, the August 24 meeting has been cancelled.

Mr. Berger informed the Commissioners that the final approved version of the 2006 CMAC annual report has been distributed to the Legislature and those individuals and organizations on CMAC's report distribution list. It has also been posted on the CMAC website (www.cmac.ca.gov). Copies, either printed or electronic, are also available at the CMAC office, upon request.

To conclude his report, Mr. Berger noted that when a quorum became present, there would be a couple of amendments and new contracts before the Commissioners for review and action today in closed session. He said that there were also a number of significant negotiation updates and several discussions regarding negotiation strategies and FY 2006-07 programs that were scheduled for today.

III. Department of Health Services (CDHS) Report

Toby Douglas, Assistant Deputy Director, Medical Care Services, CDHS, began his report by updating the Commissioners on the proof of citizenship provisions of the federal Deficit Reduction Act. He said CDHS continues to move as quickly as possible to implement these provisions, and has received tremendous feedback from stakeholders regarding the draft All-County Welfare Director's letter, which was sent out two weeks prior. Mr. Douglas said CDHS hopes to implement these provisions by the end of August.

Mr. Douglas reported that as part of the approved budget for FY 2006-07, the Administration has agreed to increase enrollment for Medi-Cal and Healthy Families programs. As part of this agreement, CDHS will be providing allocations to the top 20 counties with the highest number of uninsured children who are eligible for these programs. CDHS will soon be requesting documentation from these counties outlining how they meet the eligibility criteria and a description of their needs. CDHS will then release funds accordingly.

Mr. Douglas updated the Commission on the coverage initiative part of the hospital financing waiver, and said CDHS continues to work on a draft of their coverage initiative language and already has heard tremendous interest from stakeholders and counties. He said the Administration and CDHS would be working together to see that the language meets the requirements of the statute in SB 1448. He hopes the draft will be released in coming months.

Commissioner Burton asked Mr. Douglas if there was an estimate of how much of an increase there would be in enrollment for Medi-Cal and Healthy Families.

Mr. Douglas noted that there were several factors that would initiate change in the enrollment figures. Mr. Douglas said CDHS would like to see a growth in children's coverage, through outreach and enrollment, with the help of the counties.

Mr. Douglas explained that since no decision has been made on how to implement the citizenship provisions, it is harder to predict the impact of enrollment. He said CDHS is expecting to have a larger impact on new Medi-Cal applicants since they will have to show proof of citizenship before using Medi-Cal. Mr. Douglas said that in addition to enrollment changes, there would also be an increase in administrative costs for the counties. Mr. Douglas noted that counties would be required to help beneficiaries understand the documentation requirements. Mr. Douglas hopes to have as many enrolled as possible in the fee-for-service program, versus managed care.

Mr. Douglas said that the impact for existing beneficiaries would be slightly lower. He said existing beneficiaries would continue to receive their benefits while being re-determined, as long as they are attempting to prove citizenship by means of documentation.

IV. Department of Finance (DOF) Report

Bob Sands, Department of Finance, announced that he has accepted a new position as the Assistant Secretary of Health and Human Services, and that Nathan Stanley will be attending CMAC meetings in his place, until his position is filled.

V. Call to Order

The August 10, 2006 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Cathie Bennett Warner. A quorum was present.

VI. Approval of Minutes

The July 27, 2006 meeting minutes were approved as prepared by CMAC staff.

VII. New Business/Public Comments/Adjournment

There being no further new business and no comments from the public, Chair Cathie Bennett Warner recessed the open session. Chair Bennett Warner opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair Bennett Warner announced that the Commission had taken action on hospital and managed care contracts and amendments in closed session. The open session was then adjourned.